MINUTES

R&R Programme Board

Meeting date	10 May 2023
Meeting location	Ministerial Conference Room, Palace of Westminster
Meeting time	14:00-17:00

Attendees

Programme Board	Officials
Nigel Evans MP	Dr Patsy Richards (Client Team)
Sir Geoffrey Clifton-Brown MP	Charlotte Simmonds (Client Team/Commons)
Sir Edward Leigh MP	James Young (Client Team)
Mark Tami MP	Andy Helliwell (Lords)
Wera Hobhouse MP	Kate Meanwell (Lords)
Lord Sherbourne of Didsbury	Matt White (Delivery Authority)
Simon Burton	Tanya Coff (Delivery Authority)
Steve Hails	Mike Everett (Commons)
Sir Jonathan Stephens	Tom Goldsmith (Commons)
Lord Morse	Chris Elliott (Commons)
Paul Duffree	Gareth Davies, Comptroller and Auditor General, National Audit Office
Lord Collins	Rebecca Sheeran, Executive Director, National Audit Office
	Liz Fox, Financial Audit Director, National Audit Office
	Andy Piper (Delivery Authority)
	Jenni Singleton (Client Team)
	Phil Dennison (Client Team)

1. Welcome and Standing Items

Nigel Evans MP chaired the meeting.

Apologies were received from Sir John Benger and David Goldstone.

Programme Board Members agreed the Minutes for the meeting on 17 April, and to their publication on the website.

2. Update from Managing Director of the Client Team

The Board was updated by the Managing Director of the Client Team (CT). 1:1 engagement with Members and Peers had begun and the Board was provided with the latest figures on the number of interviews which had been scheduled. Feedback from the interviews would be provided to the Board at its June meeting to inform the shortlisting process. Recruitment would also commence, subject to approval from the R&R Client Board, for a fourth external member of the Programme Board with additional programme management and programme start-up experience. This recruitment might also provide for a second Corporate Officers' appointment to the Delivery Authority's Board. The Board was also told that the visit to Manchester Town Hall had been cancelled as Members were now unable to make the date; the CT was exploring options for a later date for the visit.

CT staff briefed the Board on the approach to integrate and align assurance activities being adopted across the CT and Delivery Authority (DA) to ensure a commitment to end-to end, risk-based, assurance across the programme. Board Members asked questions about the effectiveness of the framework and the three lines of defence, and about the CT's resources and capacity to provide effective scrutiny and risk-based assurance of the DA.

The R&R Programme Board noted the update from the MD and the approach to integrated assurance for Phase 1.

3. Oral briefing from the National Audit Office

The Comptroller and Auditor General of the National Audit Office (NAO) and NAO staff briefed the Board on the NAO's role in ensuring value for money in relation to the R&R Programme. The NAO had previously had a role scrutinising the Sponsor Body. Now that the Sponsor Body had been brought within Parliament as the Client Team, the Accounting Officers had agreed that the NAO would be able to continue to scrutinise VFM of the Client Team and the Programme. The Board discussed the importance of transparency around the cost of the Programme, including regular financial updates, the use of ranges to reflect funding uncertainty in business cases, and the importance of rigorous change controls for the Programme. The NAO and the Board also discussed lessons learned from other major infrastructure projects.

The Board thanked the NAO for attending and for their thoughts and advice on delivering VFM. The NAO left the meeting.

The R&R Programme Board noted the oral briefing from the National Audit Office about its value for money work in relation to R&R.

4. Temporary Accommodation and Engagement

CT officials briefed the Board on temporary accommodation options and related engagement plans. The Board noted that the Queen Elizabeth II Conference Centre (QEII) and the Northern Estate, including Richmond House, remained the most viable options for temporary accommodation during the works, and that a provisional decision on preferred temporary accommodation options would be needed before the summer recess. The Board was also briefed on proposals for high-level Member engagement focused on temporary accommodation planned to take place before each House rises for summer recess.

During the discussion, the following points were made:

- It would be important to have logged assumptions for temporary accommodation, for example, the Commons accommodation would need to be within the core Westminster estate; Lords accommodation would need to be in close proximity to the rest of the Parliamentary Estate; temporary Commons Chamber capacity should match the existing Chamber, and division lobbies would be required.
- Any temporary accommodation required for the House of Commons Chamber would need to have a similar capacity to the Main Chamber, and to have division lobbies.
- The Board should consider the long-term residual value and commercial viability of any temporary accommodation.
- Engagement would be needed at a political level to determine the availability of QEII as an option for temporary accommodation.

The R&R Programme Board:

a) agreed that engagement on the QEII building should be initiated given the need to agree temporary accommodation proposals;

b) agreed that given its potential use for shared services, the Speaker of the House of Commons should be asked to engage with the Department for Levelling Up, Housing and Communities, together with the Lord Speaker and/or the Leader of the House of Lords, within the timeframe required to support the Board's decisions around temporary accommodation;

c) agreed that planning for the use of shared accommodation solutions should consider opportunities for shared services; and

d) agreed that engagement with Members on temporary accommodation, set within a context of appreciation for the location, duration and indicative cost estimates of the preferred decant venues and significant changes to ways of working, should be planned for the period before the summer recess.

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5. Outcome Levels and Construction Scenarios

DA and CT officials briefed the Board on the additional information the Board had requested on Outcome Levels and Construction Scenarios. They considered and discussed the difference between Outcome Levels 1, 2 and 3, including their compliance with legal and other standards, as assessed on a RAG rating, and cost implications. The Board noted the importance of striking a balance between restoring and renewing the Palace and value for money for the taxpayer. Any consideration of higher Outcome Levels would need to be weighed carefully against cost, value and affordability for the taxpayer. As recommended by the Independent Advice and Assurance Panel, the Board also considered the implications of the Parliamentary Works (Restoration and Renewal) Act 2019 ('the Act') regarding the ability to phase R&R works, and the requirement under the Act to approve a costed proposal at the end of Phase 1.

During the discussion on Outcome Levels and Constructions Scenarios, the following points were made:

- Board Members reiterated that doing nothing was not an option and recognised the work already underway in preserving and repairing the Parliamentary estate.
- Outcome Levels 1 and 2 are considered not to sufficiently comply with legislation, regulation and standards.
- Outcome Level 5 was not as ambitious as earlier visions for R&R or in comparison to the renovation of the Canadian Parliament. For context, the Board asked the DA to prepare a short description of what an Outcome Level above 5 might look like, so the Board could better understand what Levels 5 and 4 would deliver. The DA agreed to provide this.
- If a continued presence was desirable for the Commons, it would be important to identify key priorities that an option for continued presence must deliver, along with a clear understanding of the cost of those priorities.
- The Board discussed whether the Act might need amending, to allow for a more agile and potentially cost-effective approach to the works, although several Board Members raised concerns, noting it was important to maintain momentum, ensure transparency over the cost of the programme and maintain a long-term end vision for R&R.
- The Board noted that the paper on phasing and the range of possibilities under the Act would be considered by the Client Board at its next meeting, and that the Programme Board may seek further clarity on the Act following this.

The R&R Programme Board

a) noted the further information on Outcome Levels provided to support the shortlisting process; and

b) noted the further information on Construction Scenarios and Cost Risk provided to support the shortlisting process.

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6. R&R Shortlisting of the Delivery Options

The Board resumed discussion on the shortlisting process. DA and CT officials re-presented the key evaluation criteria for the remaining options under consideration, and the Board considered how they could reduce the delivery options and identify a 'landing zone' or shortlist. Feedback received from Commons and Lords Committees on options for R&R was considered by the Board during these discussions. Board Members were supportive of discounting Outcome Levels 1 and 2 because they do not sufficiently meet compliance standards. The Board considered the benefits of identifying two 'families' of options – one group with some form of continued occupation throughout the works and one group with some form of full decant.

In the discussion, the following points and requests were made:

- The Board requested that the DA prepare further information on Construction Scenarios B, C and F, which should include information on duration out of the Palace, cost comparisons and safety and security implications under each scenario. The DA agreed to provide this for the next meeting.
- The Board agreed to park construction scenarios A, D and E but not to rule these out at this stage.
- The Board requested further information on the cost and value for money of each benefit under the remaining Outcome Levels. The DA agreed to provide this.
- Board Members noted that the cost estimates for the shortlisting options were based on 2020 prices and that engagement with Members and committees would need to be more realistic and transparent about the estimated cost of the works, which should reflect the cost of inflation, as also presented. The Board requested that the estimated costs for R&R should be in cost prices that have been adjusted for inflation, and that all engagement and communication activities from now should use real terms or adjusted figures.
- The health and safety implications of each construction scenario needed to be considered carefully by the Board during the remaining shortlisting process.

The R&R Programme Board:

a) agreed to rule out Outcome Levels 1 and 2 as options for R&R because they do not sufficiently comply with legislation, regulation and compliance standards;
b) agreed that the sub-board, chaired by Lord Morse, should meet to examine the cost estimates further and look at the cost of temporary accommodation options, particularly considering legacy implications.

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7. Any other business and date of next meeting

The Board noted the forward look, the paper on the range of possibilities under the Act, and the engagement feedback from Commons and Lords Committees. The Board agreed that responses should be sent to each Committee explaining how their views and feedback had been considered during the Programme Board's deliberations.

The Board was informed that the Chair and Deputy Chair would be attending the next Client Board meeting in May to update the Client Board on the shortlisting process.

The date of the next meeting was Monday 5 June, 14:00-17:00.